

(Washington, DC)— Congresswoman Gwen Moore (D-Wisc.) today voted to accelerate the implementation of critical reforms that will protect consumers from the unfair practices of the credit card industry. By moving up the start date of many of the Credit Card Accountability Responsibility and Disclosure (CARD) Act provisions, Congress can limit the worst practices of credit card companies before the full law takes effect.

The CARD Act implemented regulations on the credit card industry and empowered consumers by equipping them with the tools they need to manage their credit. The bill originally passed the House of Representatives on April 30, 2009 and was signed by President Barack Obama on May 22, 2009.

Provisions implemented on August 20, 2009 require companies to provide written notice to consumers of any increases in the interest rate or other significant changes to the terms of a credit card account. In addition, credit card companies are now required to inform consumers of their right to cancel the card before the rate hike goes into effect, and to send statements to consumers 21 days before the due dates of any payments.

“Passage of the Credit CARD Act last spring was a critical step toward protecting consumers in an increasingly tricky marketplace,” Congresswoman Moore said. “The Credit CARD Act was intended to help guard consumers against sudden interest rate hikes, arbitrary payment deadlines, and abusive fees that present an additional challenge to Americans who are already cash-strapped. While the next Credit CARD Act provisions were intended to take effect next February and August, respectively, Congress has recognized the need to move these dates forward to provide extra protection to consumers.”

The Expedited CARD Reform for Consumers Act – as amended – will move up the effective date for critical credit card reforms to the day the President signs the bill.

Some of these provisions include a prohibition on arbitrary interest rate increases and universal default on existing balances, a prohibition on issuers charging over-the-limit fees unless the cardholder elects to allow the issuer to complete over-limit transactions, a requirement that payments in excess of the minimum to be applied first to the credit balance with the highest rate of interest, a ban on double-cycle billing, and a requirement that issuers extending credit to those under the age of 21 obtain an application that contains the signature of a parent, guardian

or other individual 21 years or older who will take responsibility for the debt, or proof that the applicant has an independent means of repaying any credit extended.

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